



**Board Action Required X**

No Action Required ☐

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To: Coppell ISD Board of Trustees  
From: Sid Grant  
Date: February 19, 2008  
cc: Dr. Jeff Turner, Kelly Penny, Shirley Cooksey

**Re: TRS ActiveCare 2009-10 Health Insurance Rate Increase**

Please see the spreadsheet entitled "2009-2010 TRS-ActiveCare Premium Structure" detailing premium increases just announced by TRS for the three TRS ActiveCare Health Plans for the 2009-10 fiscal year beginning September 1, 2009.

Essentially, for the most popular coverage, TRS 2 (Employee Only), the monthly increase to the employee is \$16.00 or \$192 per year per employee. We currently contribute \$285 per month per employee choosing either of the TRS 2 or TRS 3 plans.

Should we continue to offer the TRS 1 (Employee Only) plan at "no cost" to the employee, the additional annual cost to the school district will be \$19,152 based on the current number of employees participating in the TRS 1 plan. *It should be noted that the proposed new district contribution of \$278 per month per TRS 1 (Employee Only) is still \$7.00 less per month than the \$285 contribution the district currently makes toward employees choosing either of the TRS 2 and TRS 3 plans.*

In order to help mitigate the increase in premiums, TRS is offering a new alternative TRS 1 "high deductible" plan (e.g. TRS 1-HD). The monthly cost for the "employee only" plan is only \$245. However, the deductible for the employees on this plan would increase from \$1,100 to \$2,300, plus the maximum out-of-pocket increases from \$2,000 to \$3,000. My initial thought is that this new alternative plan might be a true hardship on the employees and families that are likely to utilize this plan (e.g. maintenance and food service employees), since these employees typically have the least financial ability to pay the increased deductible and maximum out-of-pocket. Additionally, this plan is not eligible for health care reimbursement. On the other hand, the new TRS 1-HD plan could be financially helpful to an employee that wants to add his or her family to the coverage, but could not afford to do so under the regular TRS 1 plan.

**Action Required**

**Since our initial TRS employee enrollment begins on April 15th, CISD staff needs direction as to whether we want to offer the new "high deductible" plan and whether we wish to continue to offer the TRS 1 (Employee Only) plan at no cost to the employee.**